CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

AUGUST 21, 2007

INVOCATION:
Pastor Carl Nielsen of Bethel Lutheran Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Zacarías led the pledge of allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Fire Chief Ortiz, Director of Public Works/City Engineer Whitehead, Director of Recreation and Parks Posada, Police Chief Macagni, Planning Division Manager Woods, Director of Utilities Sweet, and Chief Deputy City Clerk Perez.

VOLUNTEER OF THE MONTH
Mayor Lavagnino presented a gift to Carol Rodriguez, the Recreation and Parks Volunteer of the Month for August 2007, for her many hours of volunteer work involved with the Career Camp Program, Police Activities League Boxing tournaments, Spring Eggstravaganza, Summer Games Night, Santa Maria Fun Run and the 2007 Teen Job Fair.

PUBLIC COMMENT
Sharon Knotts expressed concerns about the deterioration of certain City neighborhoods because of illegal immigrants, lawbreakers, dead lawns, over-populated homes, graffiti, cars and work equipment illegally parked, and rats. She also referred to a Letter to the Editor from Planning Commissioner Adrian Andrade directed at her and asked for his resignation and a written public apology.

Debbie Jeffers reported on the recent Relay for Life for breast cancer which raised $350,000 this year - $50,000 over the goal. She thanked the City Council for its support, the Relay committee and all 120 volunteers.

Mayor Lavagnino asked Police Chief Macagni to contact Mrs. Knotts regarding her concerns.

City Attorney Trujillo announced that the Code Enforcement Division was working with Mrs. Knotts. They would be addressing the issues that were within the City's subject matter jurisdiction.

Mayor Lavagnino asked that the Council be kept informed of the progress and that Code Enforcement work with Chief Macagni on any police-related issues.

CONSENT CALENDAR
Councilmember Zacarías requested Item 3C be pulled for comment. Mayor Lavagnino requested Item 3I be pulled for comment.

Item 3C - Memorandum of Understanding (MOU) with the Santa Maria Police Officers' Association.
Councilmember Zacarias commended the City Council for working with the Santa Maria Police Officers' Association. She said she was excited that the contract had been

resolved. She also commended the members of the Police Officers Association for the hard work they do every year.

Item 3I - Award of bid and agreement with Union Asphalt, Inc., for Hanson Way Reconstruction – West Stowell Road to West Main Street, Bid No. 2007/07.
Mayor Lavagnino asked Public Works Director/City Engineer Whitehead to explain what the City was doing on this project that was different from any other project.

Public Works Director/City Engineer Whitehead explained that the Hanson Way Reconstruction project would use a rubberized asphalt product. The City received a $200,000 grant from the California Integrated Waste Management Board who is working to increase the recycling of used tires. The tires would be chopped into little bits and mixed into asphalt. Rubberized asphalt was more durable and had a longer life. Hanson Way was heavily used by trucks, agricultural traffic, and other industrial traffic. It seemed to be a good place to try the rubberized asphalt.

Mayor Lavagnino commended Director Whitehead, his staff, and Union Asphalt for the McClelland/Morrison Reconstruction. The project was very well run, and the neighborhood was very happy with the work.

Councilmember Trujillo asked Director Whitehead to explain what was happening on Broadway and Main Street.

Director Whitehead explained that Caltrans was currently in the process of doing a pavement rejuvenation project on Broadway and Main Street. It was a preventive maintenance project to extend the life of the pavement. The project was being done at night to minimize the disruption to traffic.

Consent Calendar Items A through L were approved on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of August 7, 2007, were approved as submitted.

C. SMPOA MOU
Resolution No. 2007-114 was adopted approving amendments to and an extension of the current Memorandum of Understanding (MOU) with the Santa Maria Police Officers' Association (SMPOA).

Resolution No. 2007-114 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AMENDMENTS TO AND AN EXTENSION OF THE MEMORANDUM OF UNDERSTANDING WITH THE SANTA MARIA POLICE OFFICERS' ASSOCIATION (SMPOA).

D. AMENDMENT TO PERS CONTRACT
Resolution No. 2007-115, a Resolution of Intention, was adopted stating the Council's intent to approve an amendment to the contract between the City and the California Public Employees' Retirement System (CalPERS) for Section 21624, 21626, and 21628 (Post-Retirement Survivor Allowance) for local fire members. Ordinance No. 2007-17 amending the contract was introduced by title only for first reading and continued to the meeting of September 18, 2007, for second reading and adoption.

Resolution No. 2007-115 adopted. A RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL CITY OF SANTA MARIA.

Ordinance No. 2007-17 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF SANTA MARIA AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

E. RELEASE OF BOND

Council accepted as complete the public improvements associated with the construction and installation of the Blosser Road Traffic Bridge and authorized the release of a Faithful Performance Bond in the reduced amount of $100,000, with an order that the Contractor, Labor and Material Bond be retained until February 2008 and the Guarantee and Defective Material Bond be retained until August 2008 for Rose Garden Village II, Tract 5826.

F. RELEASE OF BOND

Council accepted as complete the construction and installation of public improvements and authorized the release of a Faithful Performance Bond in the amount of $166,297.25, with an order that the Contractor, Labor and Material Bond be retained until February 2008 and the Guarantee and Defective Material Bond be retained until August 2008 for Foxenwood Townhomes, Tract 5763.

G. WARRANTS

Warrant Nos. 136259 to 136527 in the amount of $1,797,667.06 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 136208, 136280 and 136305 were canceled.

H. PAYROLL

Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

I. AWARD OF BID

Resolution No. 2007-116 was adopted awarding the bid to and approving an agreement with Union Asphalt, Inc., for Hanson Way Reconstruction – West Stowell Road to West Main Street, Bid No. 2007/07, in the amount of $1,167,741.75.

Resolution No. 2007-116 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH UNION ASPHALT, INC., FOR HANSON WAY RECONSTRUCTION – STOWELL ROAD TO WEST MAIN STREET, BID NO. 2007/07.

J. ORDINANCE NO. 2007-15

Council conducted the second reading and adopted Ordinance No. 2007-15 approving a Development Agreement with Inland Pacific Builders for the reimbursement of costs to construct the Battles Road Railroad Crossing and Depot Street Traffic Signal at Battles Road and Depot Street which were required as a condition of approval for the Estates at Pacific Crest project (previously Rose Garden Subdivision) Tract 5725.

Ordinance No. 2007-15 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT WITH INLAND PACIFIC BUILDERS, INC., FOR THE REIMBURSEMENT OF THE COSTS TO CONSTRUCT THE BATTLES ROAD RAILROAD CROSSING AND THE TRAFFIC SIGNAL AT BATTLES ROAD AND DEPOT STREET.

K. ORDINANCE NO. 2007-16

Council conducted the second reading and adopted Ordinance No. 2007-16 approving an amendment to the 2007 Growth Mitigation Fee Ordinance to clarify a provision relating to calculation of Growth Mitigation Fees for additions and exemptions for kitchens and baths and to correct an error in the Traffic Mitigation Fees.

Ordinance No. 2007-16 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, REVISING THE 2007 GROWTH MITIGATION FEES.

L. **SUBDIVISION MAP AND AGREEMENT**

Resolution No. 2007-117 was adopted approving the Subdivision Map and agreement for Fairway Industrial Park, Tract 5925, located at the northeast corner of Fairway Drive and A Street.

Resolution No. 2007-117 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE SUBDIVISION MAP AND AGREEMENT FOR FAIRWAY INDUSTRIAL PARK, TRACT 5925.

PRESENTATION OF THE SANTA MARIA VALLEY CHAMBER OF COMMERCE ECONOMIC DEVELOPMENT COMMISSION SEMI-ANNUAL REPORT FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007.

Robert Hatch, Chairperson of the Economic Development Commission (EDC), presented the report. During the first half of the third year of the Economic Development services contract, the focus remained on the retention of existing businesses. Every one of the first-year goals was addressed and a program of work was developed for each. Second year objectives were also added to the program of work. The EDC is well on its way to finalization of all of the third year objectives. Eleven inquiries produced 16 separate meetings, 140 new jobs were created and 60 new jobs were added through expansions of existing businesses. Ads were placed in the *Skywest Magazine Special Commemorative Edition, Expansion Management Magazine*, and *Pacific Coast Business Times*. During the first half of the year, the Commission remained engaged with local companies to assure them that they have a key ally in the Chamber. In addition, the Commission and Chamber staff members have continued to provide advice and assistance to numerous companies seeking to expand or relocate their operations. International Software Trading Company has increased its staff to 8 people, has met all its bench marks for software testing and is on target for its product completion. Fusion Marketing has leased additional space and expanded local operations. Additionally, the Commission is now under contract to actively market the Santa Maria Public Airport District and has pledged its support for the continuing development of the business park. Since its last report, the Commission has applied for renewal of a sizeable grant from Pacific Gas and Electric to be used for economic development, continued to distribute marketing material for the Revolving Loan Fund program, continued support of community forums which promote the virtues of Santa Maria and Northern Santa Barbara County, remained involved in the Central Coast Marketing Team, and continued to promote and monitor the Chamber website which includes an entire section devoted to economic development.

In response to previous comments made regarding funding of the Economic Development Commission and the Visitors and Convention Bureau, Mr. Hatch explained that the funding from the City was strictly from Transient Occupancy Tax. In 2006, $24 million was collected by the hotel industry for room sales. Of that, $2.4 million went to the City as Transient Occupancy Tax. The 10 percent Transient Occupancy Tax was set by ordinance which also authorized payment to outside agencies. The City did pay the Chamber a little over $600,000. The formula set by ordinance also allows a payment of $205,000 to the Economic Development Commission; however, the EDC only accepts about $156,000 a year. The Chamber of Commerce provides as much in in-kind services as the City does in dollars.

Councilmember Zacarías stated she was excited to see how many jobs have been added. She congratulated Mr. Hatch.

Councilmember Orach talked about how the Chamber of Commerce assisted the Manufacturer's Association. Businesses that belong to the Manufacturer's Association are hiring new people and creating new jobs, and they probably don't always notify the Chamber of that.

Councilmember Trujillo stated in the six years he had been on the Council, he had seen the progress of the Chamber's operation and what it does. He thanked Mr. Hatch for his efforts. He said the wine industry is a tremendous thing for Santa Maria and the Santa Maria Valley. He said he appreciated what Mr. Hatch and his staff do for the community.

Councilmember Patino asked if the EDC members were selected for their particular expertise and what the criteria was for selecting members.

Mr. Hatch stated when the Chamber of Commerce submitted their response to the Request for Proposals from the City for economic development services, they designed the group based on their ties with the Chamber of Commerce. They are mostly former Chairpersons of the Board. The bulk of the work for the EDC was done by Etta Waterfield and himself.

Councilmember Patino commented that the EDC contract expires in the next few months and suggested staff bring an extension of the contract to the Council for approval.

Mayor Lavagnino, with Council concurrence, directed the City Manager to bring back an extension to the contract for the EDC.

Council thanked Mr. Hatch and received and filed the report.

PRESENTATION OF THE SANTA MARIA VALLEY CHAMBER OF COMMERCE AND VISITOR AND CONVENTION BUREAU YEAR-END REPORT FOR THE PERIOD OF JULY 1, 2006, THROUGH JUNE 30, 2007.

Mayor Lavagnino announced that a letter had been received from the Santa Maria Valley Railroad Company in support of the Chamber of Commerce and Visitors & Convention Bureau. He read portions of the letter.

Robert Hatch, President/CEO of the Santa Maria Valley Chamber of Commerce, introduced Gina Keough, Visitor and Convention Bureau Manager, who gave the Year-End Report. During the first half of 2007, transient occupancy tax continued to increase totaling $1,103,801.59. This is in part due to continued partnerships with the California Travel and Tourism Commission, the Central Coast Tourism Council, and the Santa Maria Valley Wine Country Association. During the second half of the fiscal year, the Bureau attended the Bay Area Travel Show, Locations Expo, the Sunset Celebrations Weekend, the International Pow Wow event, and the Hospitality Sales and Marketing Association International Affordable Meetings West. The Bureau also hosted a booth at the Vintners Festival and the Santa Maria Valley Strawberry Festival. The Bureau participated in the 1st Annual Santa Maria Safari, the 2007 Business Tradeshow, and addressed Max Tucker's hospitality class at Allan Hancock College Culinary Arts Program. Ads were placed in *Sunset Magazine*, *Westways Magazine, Los Angeles Times newspaper, Via Magazine, National Tour Association's Courier Magazine,* and *Skywest Magazine*. A second full-color Bureau-sponsored billboard is now located at Highway 101 southbound near the Santa Maria Speedway. Through a special promotion offered by the Central Coast Tourism Council, the Bureau was able to participate in a cooperative ad in the California Travel and Tourism Commission publication, *California Drives*. Eleven special events were helped with Special Projects Grant funding for events scheduled for January through June, 2007.

Council thanked Ms. Keough and received and filed the report.

AMENDMENT TO DEVELOPMENT AGREEMENT WITH INLAND PACIFIC BUILDERS

Director of Public Works/City Engineer Whitehead gave the Staff Report. The City Council is asked to consider an amendment to a previously approved Development Agreement with Inland Pacific Builders to allow the reimbursement of the cost to construct Main Street to the ultimate width on both sides of the roadway from Suey Road through the intersection of Main Street and Panther Drive and to construct Panther Drive to full width on the east side of Main Street north for approximately 3,300 linear feet. The required road construction exceeded the frontage improvement requirements normally required of a developer. The original Development Agreement dated November 2, 2006, allowed reimbursement of up to $1,000,000, approximately one half of the costs for these improvements. It was agreed at that time that after the work was completed and the actual costs were known, the Development Agreement would be amended to cover the balance of the costs related to the improvements. The total City reimbursable amount has been determined to be $2,212,949. The developer is receiving $578,440 in Traffic Mitigation Credits toward these improvements, leaving a total reimbursable amount of $1,634,500. The Development Agreement Amendment will allow reimbursement of an additional $634,500. The reimbursement amount is consistent with the AB1600 Growth Mitigation Program and is within the $3,000,000 fee allocation approved by the City Council for the Main Street and Panther Drive widening improvements in the 2005 Capital Improvement Program.

Director Whitehead informed the Council that there was one amendment necessary to the ordinance. Item 9, Section 2, should be amended to add a new sentence to read "The Director of Administrative Services is hereby directed to appropriate the necessary additional funds into the expenditure account #027-016-050-52-43."

Mayor Lavagnino opened the Public Hearing. Hearing no requests to speak, Mayor Lavagnino closed the Public Hearing.

Councilmember Orach announced that he would be abstaining from voting on this item since he recently moved into the La Ventana Development.

Ordinance No. 2007-18 approving an amendment to the Development Agreement was introduced by title only for first reading as amended and continued to the next meeting for second reading and adoption on motion by Councilmember Trujillo, seconded by Councilmember Zacarías, and carried on the following vote:

AYES:	Councilmembers Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	Councilmember Orach

Ordinance No. 2007-18 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH INLAND PACIFIC BUILDERS FOR THE MAIN STREET AND PANTHER DRIVE WIDENING ASSOCIATED WITH THE LA VENTANA PROJECT TRACT 5886 LOCATED AT THE NORTHWEST CORNER OF MAIN STREET AND PANTHER DRIVE.

NOMINATION TO CENTRAL COAST COMMISSION

Chief Deputy City Clerk Perez gave the staff report. The Board of Directors of the Central Coast Commission for Senior Citizens is responsible for the operations, including policy setting, allocations, and personnel for the Central Coast such as Area Agency on Aging, HICAP, and Senior Employment. The Board meets monthly and serves Santa Barbara and San Luis Obispo Counties. The Board of Directors is elected by the Agency itself; however, one member is nominated by the City Council to serve a two-year term. Staff advertised the current vacancy and received four applications for Council's consideration. Applications were received from Lino (Lee) Diaz, Sherie Hoback, Martin Seifert, and Barry Sigman.

Sherie Hoback thanked the Council for accepting her application. Recognizing that the Commission serves both Santa Barbara and San Luis Obispo Counties, she asked the Council to consider her for appointment to the Commission. In addition to the information on the application, she told the Council she had been employed within the City of Santa Maria for 25 years providing care to frail seniors and their families and would very much like to continue that service as a member of the Central Coast Commission for Senior Citizens.

Mayor Lavagnino stated he was going to be the one to make the nomination. He said not all commissions need to have candidates who live within the City limits. In fact, several members of the City's Advisory Bodies were not city residents. Mrs. Hoback is a very qualified candidate; however, it has been his rule that he only appoints people who are City residents. He said he was going to nominate Lee Diaz, someone he has known for many years.

Mayor Lavagnino nominated Lino (Lee) Diaz. Councilmember Zacarias seconded the motion. The motion carried and the nomination approved on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarias, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Mayor Lavagnino thanked all the applicants for their willingness to serve the community.

CITY MANAGER'S REPORT

City Manager Ness reported on items for the September 4, 2007, City Council meeting including a public hearing for a partial vacation of a water well easement as well as Regular Business items for a contract for a solid waste rate study and an appointment to the Landmark Committee as well as the Growth Mitigation Fee Annual Report.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Zacarias announced that Allan Hancock College had broken its enrollment record and congratulated Dr. Ortiz and his team. She reported that she had been working on a conference to be held on September 29, 2007, for 7th to 10th grade young women from Paso Robles to Santa Ynez at Allan Hancock College to give them an orientation to college and possible careers. She also reported on a project she was working on with Southern California Gas Company to help increase the number of people in the CARES program which is their rate reduction program. Southern California Gas Company was working with Future Leaders of America and would be making a donation to Future Leaders for every application they bring in. Southern California Gas would be completing some weatherization projects as well. In addition, there will be an automatic registration into PG&E's rate reduction program.

Mayor Lavagnino commended the Santa Maria High School for initiating a closed campus this year and reported on how it has affected his neighborhood. He said he believed it was going to be very successful.

Mayor Lavagnino also talked about how difficult it was for him to make appointments to the City's Advisory Bodies when there were multiple qualified applicants. If he was going to make the appointment, it would be a City resident.

Councilmember Patino reported on the Chamber of Commerce Annual Award Dinner on August 8th. Harrell Fletcher received the Citizen of the Year Award and Laurie Tamura received the Robert F. Grogan Award. On Friday, August 10th, she attended a seminar on Restorative Justice sponsored by Juvenile Justice featuring Pastor Tony Ortiz.

Councilmember Trujillo reported on his attendance at the Waiters Night, a fundraiser for Marian Medical Center. Friends of the Library held a barbeque on Saturday to raise money that he also attended.

CLOSED SESSION

Mayor Lavagnino announced that the Closed Session for Conference with Legal Counsel - regarding existing litigation pursuant to Subsection (a) of Government Code Section 54956.9 to discuss Santa Maria Valley Water Conservation District (SMVWCD) v. City of Santa Maria had been canceled.

ADJOURNMENT

There being no further business to come before the City Council at this time, Mayor Lavagnino declared the meeting adjourned at 8:00 p.m.

APPROVED

Sept. 4, 2007
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor of the City of Santa Maria